

Builders Warn of Debilitating Provision in Health Care Bill



The President commends the Senate for passing health insurance reform. (*White House Photo, Chuck Kennedy*)

As Congress moves to craft a final health care bill in the coming weeks, NAHB is leading the fight with other like-minded business groups to strip a jobs-killing provision in Senate legislation H.R. 3590 that would derail the fragile housing and economic recovery by placing a major financial burden on builders. The measure was approved by the Senate on Christmas eve by a 60 to 39 vote.

Language offered by [Sen. Jeff Merkley](#) (D-Ore.) and slipped into the Senate health care legislation at the last minute unfairly targets small construction firms with more than five workers by requiring them to provide health care coverage or face stiff fines. Meanwhile, small businesses in all other industries would be exempt from providing mandatory health coverage if they employ 50 workers or less.

NAHB has been alerting lawmakers that this requirement is patently unfair and dangerous for an economy that is only beginning to recover from financial collapse. It would place a huge competitive disadvantage on the housing industry, which under normal conditions accounts for more than 17% of the nation's gross domestic product but today continues to struggle for survival.

Immediately after the Senate approved H.R. 3590, NAHB sent a letter to every senator expressing disappointment that the narrow employee mandate provision targeting the construction industry had been included in the health care legislation. The letter urged all senators to work with House and Senate conferees to strike this provision from the final measure.

House health care bill H.R. 3962, which passed the chamber by a slim margin of 220 to 215 on Nov. 7, contains no provision comparable to the Merkley amendment.

NAHB lobbyists and grassroots members have been working diligently since Christmas to reach out to more than a dozen Democrats in the Senate and more than 50 Democratic centrists in the House to explain how this provision threatens the viability of countless small home builders across the nation and to call on their support to strip this requirement from the final bill.

NAHB has received positive feedback from Democrats in both chambers who oppose the Merkley amendment and [Sen. Blanche Lincoln](#) (D-Ark.) is leading the charge to gather support for a "dear colleague" letter to send to Senate Majority Leader [Harry Reid](#) (D-Nev.), urging his assistance to strike

the provision from a final bill. NAHB is also working with House Democrats to pursue a companion letter to House Speaker [Nancy Pelosi](#) (D-Calif.).

At this time, it is expected that the usual House-Senate conference process to reconcile the two bills will be bypassed in an effort to avert any procedural stalling tactics from the GOP, which remains united in its opposition to both health care bills.

As the process moves forward, NAHB will continue to push for the elimination of the Merkley language and seek other changes to address the concerns of the housing community and small businesses.

To view the legislation, [click here](#) and type the bill numbers in the box at the upper center of the page.

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